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SUBJECT: JERUSALEM MEDIA REACTION (02/05): Fatah and Hamas leaders continue to take steps towards reconciliation

Main Stories:

-----The three dailies run lead photos of Fatah Central Committee member Nabil Shaath shaking hands with Hamas' Ismail Hannieyh at his house in Gaza yesterday. Reports note that the meeting was positive. The leading headlines state that Fatah and Hamas will take practical steps to end the state of division. Al-Quds' headline also says that 1000 Fatah members and independent figures will visit Gaza soon.

The dailies report that settlers in southern Nablus occupied 500 dunums of land on a hill near Jaloud village and built four mobile homes on it. The dailies also report that the Jerusalem municipality will demolish 200 Palestinian homes in the Silwan neighborhood in East Jerusalem due to the lack of building permits.

Independent daily Al-Quds reports that the Palestinian Authority and Palestinian officials are still reviewing the proposals submitted by Special Envoy George Mitchell to resume peace talks between the Palestinians and Israelis. The reports note that PLO Chief Negotiator Saeb Erekat met with Jordanian Foreign Minister Nasser Joudeh and Egyptian Foreign Minister Aboul Gheit in Cairo to discuss their response to the proposals.

The local press, including social media sites from the West Banka and Gaza, prominently highlight yesterday's announcement that the US made an initial contribution of \$40 million to UNRWA. The dailies run photos of Consul General Daniel Rubinstein and UNRWA Commissioner General Filippo Grandi signing the agreement at the Dheisheh refugee camp. The Consul General is quoted noting the importance of providing robust and early contributions to UNRWA in light of the agency's anticipated funding deficit for 2010.

BLOCK QUOTE:

Under the title "A Sign of Hope and A Courageous Step" an editorial in Al-Quds argues that the Palestinians are tired of the state of division and its repercussions. The author urges Hamas and Fatah leaders to take this opportunity now to regain national unity.

Palestinian Cyberspace:

A blog by Zahi Khouri, Chief Executive of the Palestinian National Beverage Company, was circulated on Palestinian cyberspace. Mr. Khoury is blogging in his role as a member of the Palestinian Presidential Committee for Christian Affairs, who this week met in Washington with church leaders, members of Congress, and civil society leaders. The blog is titled 'National Prayer Breakfast: Israeli occupation threatens Christian presence in Holy Land' saying, "Israelis and Palestinians both want, and deserve, peace, security and prosperity, but one group cannot have them at the expense of the other...We believe that it is not too late. But the United States and the international community must take action. As Palestinians and as Christians, we call on President Obama and all Americans to demonstrate the values that have made the United States so admired around the world by supporting freedom and justice for our people."